

NATURAL RESOURCES CODE
CHAPTER 34. BOARDS FOR LEASE
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 34.001. DEFINITIONS. In this chapter:

- (1) "Board" means a board for lease.
 - (2) "Commissioner" means the Commissioner of the General Land Office.
 - (3) "Land office" means the General Land Office.
- Acts 1977, 65th Leg., p. 2394, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.002. APPLICATION OF CHAPTER. (a) The provisions of this chapter apply to:

- (1) land owned by the Texas Parks and Wildlife Department;
- (2) land owned by the Texas Department of Corrections.

(b) If title to land subject to the provisions of the Relinquishment Act is acquired by the Texas Parks and Wildlife Department or the Texas Department of Corrections, the land is not subject to lease by a board created under the provisions of this chapter but shall be leased in the manner provided for the leasing of unsold public school land.

Acts 1977, 65th Leg., p. 2394, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1981, 67th Leg., p. 2572, ch. 686, Sec. 1, eff. Aug. 31, 1981; Acts 1985, 69th Leg., ch. 327, Sec. 1, eff. June 8, 1985; Acts 1985, 69th Leg., ch. 624, Sec. 25, eff. Sept. 1, 1985; Acts 1987, 70th Leg., ch. 167, Sec. 6.05(d), eff. Sept. 1, 1987.

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

Sec. 34.011. BOARDS FOR LEASE. Boards for lease are created to lease land owned by the Texas Parks and Wildlife Department and the Texas Department of Corrections.

Acts 1977, 65th Leg., p. 2394, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1985, 69th Leg., ch. 624, Sec. 26, eff. Sept. 1, 1985.

Sec. 34.012. TITLE OF BOARD. The title of each board shall be selected by each board for lease at its first meeting.

Acts 1977, 65th Leg., p. 2394, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.013. MEMBERS OF BOARD. (a) The membership of each board shall include:

- (1) the commissioner;
- (2) one citizen of the state appointed by the governor with the advice and consent of the senate; and
- (3) the president or chairman of the board or agency or head of the department charged with the responsibility of management or control of land owned by or held in trust for the use and benefit of the department, agency, or board.

(b) The appointed member serves for a term of two years.

Acts 1977, 65th Leg., p. 2394, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.0131. APPOINTMENTS WITHOUT DISCRIMINATION. Appointments to the board shall be made without regard to the race, color, handicap, sex, religion, age, or national origin of the appointees.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 27, eff. Sept. 1, 1985.

Sec. 34.0132. DISQUALIFICATION OF LOBBYISTS. A person who is required to register as a lobbyist under Chapter 305 of the Government Code, by virtue of his activities for compensation in or on behalf of a profession related to the operation of the board, may not serve as a member of the board or act as the general counsel to the board.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 27, eff. Sept. 1, 1985. Amended by Acts 1987, 70th Leg., ch. 167, Sec. 2.19(21), eff. Sept. 1, 1987.

Sec. 34.0133. CONFLICTS OF INTEREST PROHIBITED. An officer, employee, or paid consultant of a statewide or national trade association in the oil and gas or mining industry may not be a member or employee of the board, nor may a person who cohabits with or is the spouse of an officer, managerial employee, or paid consultant of a statewide or national trade association in the oil and gas or mining industry be a member of the board or an employee of the board grade 17 and over, including exempt employees, according to the position classification schedule under the General Appropriations Act.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 27, eff. Sept. 1, 1985.

Sec. 34.0134. REMOVAL OF BOARD MEMBER. (a) It is a ground

for removal from the board if a member:

(1) does not have at the time of appointment the qualifications required by Subsection (a) of Section 34.013 of this code for appointment to the board;

(2) does not maintain during the service on the board the qualifications required by Subsection (a) of Section 34.013 of this code for appointment to the board;

(3) violates a prohibition established by Section 34.0132 or 34.0133 of this code;

(4) is unable to discharge his duties for a substantial portion of the term for which he was appointed because of illness or disability; or

(5) is absent from more than one-half of the regularly scheduled board meetings which the member is eligible to attend during each calendar year, except when the absence is excused by majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it was taken when a ground for removal of a member of the board existed.

(c) If the commissioner has knowledge that a potential ground for removal exists, he shall notify the governor that a potential ground for removal exists.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 27, eff. Sept. 1, 1985.

Sec. 34.0135. POLICIES ON PUBLIC HEARINGS. The board shall develop and implement policies that will provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the jurisdiction of the board.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 27, eff. Sept. 1, 1985.

Sec. 34.014. OFFICERS OF BOARD. (a) The commissioner is the chairman of the board.

(b) Each board shall select a secretary who shall be nominated by the commissioner and approved by a majority of the board.

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.015. QUORUM. A majority of a board constitutes a quorum for the transaction of business.

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.016. RECORDS OF BOARD. A board shall keep a complete record of all of its proceedings.

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.017. SPECIAL MINERAL FUNDS. Special funds are created in the State Treasury to be known as the "(appropriate department, board, or agency) special mineral fund."

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.018. DEPOSIT OF RECEIPTS. Amounts received under the provisions of this chapter shall be deposited in the State Treasury to the credit of the appropriate special account, with the exception that all money received under the provisions of this chapter enuring to the benefit of the Parks and Wildlife Department from land held by the department for game and fish conservation, protection, and management purposes shall be deposited in the State Treasury to the credit of the game, fish, and water safety account, and all money received under the provisions of this chapter enuring to the benefit of the Parks and Wildlife Department from park, recreation, and historic land shall be deposited in the State Treasury to the credit of the state parks account.

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1993, 73rd Leg., ch. 679, Sec. 62, eff. Sept. 1, 1993.

Sec. 34.019. EXPENDITURES. (a) The expenses of executing the provisions of this chapter shall be paid by warrants drawn by the comptroller on the State Treasury against the income from the special funds accumulated from leases, rentals, royalties, and other payments.

(b) The amounts received under the provisions of this chapter and deposited to the credit of a special fund shall be used exclusively for the benefit of the appropriate department, board, or agency.

(c) No money may be spent from the special funds except by legislative appropriation and for the purposes and in the amount stated in the Act appropriating it.

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.0191. FINANCIAL REPORT REQUIRED. The board shall prepare annually a complete and detailed written report accounting for all funds received and disbursed by the board during the preceding year.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 27, eff. Sept. 1, 1985.

Sec. 34.0192. AUDIT. The financial transactions of the board are subject to audit by the state auditor in accordance with Chapter 321, Government Code.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 27, eff. Sept. 1, 1985. Amended by Acts 1989, 71st Leg., ch. 584, Sec. 7, eff. Sept. 1, 1989.

Sec. 34.020. FILING IN GENERAL LAND OFFICE. All surveys, files, records, abstracts of title, copies of sale and lease contracts, and all other records pertaining to sales and leases authorized under the provisions of this chapter shall be filed in the land office and constitute archives.

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 34.051. LAND SUBJECT TO LEASE. Land owned by or held in trust for the use and benefit of either agency may be leased by the appropriate board to any person under the provisions of this chapter for the purpose of prospecting or exploring for and mining, producing, storing, caring for, transporting, preserving, selling, and disposing of the oil, gas, or other minerals.

Acts 1977, 65th Leg., p. 2395, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1985, 69th Leg., ch. 624, Sec. 28, eff. Sept. 1, 1985.

Sec. 34.052. SUBDIVISION OF LAND. A board may have the land subject to its control surveyed or subdivided into tracts, lots, or blocks which will, in its judgment, be most conducive and convenient to facilitate the advantageous sale of oil, gas, or mineral leases.

Acts 1977, 65th Leg., p. 2396, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.053. MAPS AND PLATS. A board may make maps and plats it considers necessary to carry out the purposes of this chapter.

Acts 1977, 65th Leg., p. 2396, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.054. ABSTRACTS OF TITLE. A board may obtain authentic abstracts of title to the land subject to its control that it considers necessary and may take the necessary steps to perfect a marketable title to the land.

Acts 1977, 65th Leg., p. 2396, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.055. GEOLOGICAL SURVEYS AND INVESTIGATIONS. A board may issue a permit for geological, geophysical, and other surveys and investigations on land subject to lease by the board that is not under valid and existing leases and that will encourage the development of the land for oil, gas, or other minerals. A permit may be issued for a consideration and under terms and conditions which the board considers to be in the best interest of the state.

Acts 1977, 65th Leg., p. 2396, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.056. PLACING LEASE ON MARKET. If a board determines there is a demand for the purchase of oil, gas, or mineral leases on a lot or tract of land subject to the control of the board which will reasonably insure an advantageous sale, the board shall place the oil, gas, or mineral leases on the market in the tract or tracts which the board may designate.

Acts 1977, 65th Leg., p. 2396, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 34.057. LEASE PROVISIONS. (a) Leases shall be advertised and sold in the same manner and shall contain the same terms and conditions as leases issued by the School Land Board under Chapter 32 of this code.

(b) A board may place any other terms and conditions in the lease it determines to be in the best interest of the state.

(c) The special sales fee provided for in Section 32.110 of this code shall be collected on leases issued under this chapter.

(d) The provisions of Chapter 32 of this code relating to payment of royalty, penalties and interest on delinquent payments, assignments, releases, and forfeiture shall apply to leases issued

under this chapter.

Acts 1977, 65th Leg., p. 2396, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1985, 69th Leg., ch. 624, Sec. 29, eff. Sept. 1, 1985.

Sec. 34.064. EASEMENTS. (a) A board may grant easements of rights-of-way on the land covered by the provisions of this chapter.

(b) The easements may be granted on terms and conditions the board considers to be in the best interest of the state.

(c) The provisions of this section do not apply to land owned by the state as a part of the penitentiary system and do not repeal Chapter 166, General Laws, Acts of the 42nd Legislature, Regular Session, 1931, as amended (Article 6203d, Vernon's Texas Civil Statutes).

Acts 1977, 65th Leg., p. 2397, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1985, 69th Leg., ch. 624, Sec. 30, eff. Sept. 1, 1985.

Sec. 34.065. RULES. A board may adopt rules and collect fees necessary for the implementation of this chapter.

Added by Acts 1985, 69th Leg., ch. 624, Sec. 31, eff. Sept. 1, 1985.